

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT
BOARD OF PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT
BOARD OF PUERTO RICO,

as representative of

PUERTO RICO ELECTRIC POWER AUTHORITY,

Debtor.

PROMESA

Title III

No. 17-BK-3283-LTS

(Jointly Administered)

Re: ECF Nos. 24860 & 24862

PROMESA

Title III

No. 17-BK-4780-LTS

(Jointly Administered)

Re: ECF Nos. 3880 & 3881

**STATEMENT OF GOLDETREE ASSET MANAGEMENT LP REGARDING URGENT
MOTION OF THE FINANCIAL OVERSIGHT AND MANAGEMENT BOARD FOR
PUERTO RICO, AS DEBTOR'S TITLE III REPRESENTATIVE, REQUESTING
FURTHER EXTENSION OF FILING DEADLINES (A) TO AUGUST 18, 2023 FOR
SUBMISSION OF PREPA'S PROPOSED AMENDED PLAN OF ADJUSTMENT AND
RELATED DOCUMENTS AND (B) TO AUGUST 23, 2023 FOR SUBMISSION OF
JOINT STATUS REPORT AND PROPOSED CONFIRMATION SCHEDULE(S)**

¹ The Debtors in these Title III Cases, along with each Debtor's respective Title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

To the Honorable United States District Court Judge Laura Taylor Swain:

1. GoldenTree Asset Management LP (“GoldenTree”) submits this statement regarding the *Urgent Motion of the Financial Oversight and Management Board for Puerto Rico, as Debtor’s Title III Representative, Requesting Extension of Filing Deadlines (A) to August 18, 2023 for Submission of PREPA’s Proposed Amended Plan of Adjustment and Related Documents and (B) to August 23, 2023 for Submission of Joint Status Report and Proposed Confirmation Schedule(s)* [Case No. 17-4780, ECF No. 3880] (the “Urgent Motion”) and respectfully states as follows:

2. At 8:32 a.m. Eastern Time on Thursday, August 10, 2023, counsel to the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”) sent an email to representatives of a number of parties, including GoldenTree, indicating that the Oversight Board, acting on behalf of the Puerto Rico Electric Power Authority (the “Debtor”), intended to file yet another urgent motion to extend by another week the dates by which the Debtor must file its proposed third amended plan of adjustment and the parties must file their joint status report with proposed litigation schedule(s) for confirmation proceedings, and asking whether the parties to whose representatives the email was sent objected to the relief to be sought by such urgent motion. By the email, the Oversight Board requested responses by 3:00 p.m. Eastern Time.

3. At approximately 3:06 p.m. Eastern Time, counsel for GoldenTree, White & Case LLP replied by email indicating that GoldenTree did not object to such relief but reserved GoldenTree’s rights and requested that the Oversight Board include certain language in the proposed urgent motion regarding GoldenTree’s growing concerns, including the fact that, despite the Oversight Board’s representations regarding the deal it was negotiating with certain holders of

the Debtors' bonds, GoldenTree had not been invited to participate in, nor had it participated in, any settlement or mediation discussions.

4. The Oversight Board subsequently filed the Urgent Motion indicating that GoldenTree did not object to the relief sought by the Urgent Motion but reserved its rights, but the Oversight Board omitted language GoldenTree proposed be included in the Urgent Motion to express GoldenTree's concerns. *See* Urgent Motion ¶ 7.

5. Although GoldenTree appreciates that the Court recently granted the Urgent Motion by its *Order Granting Urgent Motion of the Financial Oversight and Management Board for Puerto Rico, as Debtor's Title III Representative, Requesting Extension of Filing Deadlines (A) to August 18, 2023 for Submission of PREPA's Proposed Amended Plan of Adjustment and Related Documents and (B) to August 23, 2023 for Submission of Joint Status Report and Proposed Confirmation Schedule(s)* [Case No. 17-4780, ECF No. 3881], GoldenTree believes it is important that the Court be made aware of GoldenTree's concerns expressed to counsel to the Oversight Board and restated here:

GoldenTree hasn't been invited to, and has not participated in, any settlement discussions or mediation conversations. GoldenTree is concerned that the continuing delays are only increasing the ongoing prejudice to the approximately \$8.4 billion of revenue bonds, which have been in a continuous state of default since 2009, and which have not received any payment whatsoever since 2014. In that regard, while we wholeheartedly endorse the concept of seeking consensual resolution, we believe that the efforts of the Oversight Board to cause the Debtor to try to walk away from \$8.4 billion of revenue bonds on a nonconsensual basis, and to buy plan support from some, but not all bondholders, through improper

classification and disparate treatment, is wasteful and will not result in the timely or efficient conclusion of this process that all purport to desire.

WHEREFORE, GoldenTree respectfully requests that the Court take notice of its position in respect of the Urgent Motion as expressed herein.

DATED: August 10, 2023

Respectfully submitted,

WHITE & CASE LLP

/s/ Lydia M. Ramos Cruz

Lydia M. Ramos Cruz
USDC-PR 214104
1509 López Landrón Street
American Airlines Building, PH
San Juan, Puerto Rico 00911
Tel.: (787) 508-2525
lramos@ramoscruzlegal.com

/s/ Thomas E Lauria

Thomas E Lauria (admitted *pro hac vice*)
Glenn M. Kurtz (admitted *pro hac vice*)
Thomas E. MacWright
1221 Avenue of the Americas
New York, New York 10020-1095
Tel.: (212) 819-8200
Fax: (212) 354-8113
tlauria@whitecase.com
gkurtz@whitecase.com
tmacwright@whitecase.com

John K. Cunningham (admitted *pro hac vice*)

Keith Wofford (admitted *pro hac vice*)

Michael C. Shepherd
White & Case LLP
200 South Biscayne Boulevard, Suite 4900
Miami, Florida 33131-2352
Tel.: (305) 371-2700
Fax: (305) 358-5744
jcunningham@whitecase.com
kwofford@whitecase.com
mshepherd@whitecase.com

Co-Counsel for GoldenTree Asset Management LP

CERTIFICATE OF SERVICE

I hereby certify that on this same date, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to counsel for the parties of record.

/s/ Lydia M. Ramos Cruz

Lydia M. Ramos Cruz
USDC-PR 214104
1509 López Landrón Street
American Airlines Building, PH
San Juan, Puerto Rico 00911
Tel.: (787) 508-2525
lramos@ramoscruzlegal.com